

AXA Extra

AXA Retail has undertaken a Customer Fair Value Assessment as the manufacturer of this product, in accordance with our obligations under PROD 4.2.

Date of most recent Customer Fair Value Assessment	November 2022
Date of next Customer Fair Value Assessment to be completed by	Within the next 12 months*

**We continuously monitor our products and apply a risk-based approach to our product governance; the next review and assessment may take place before this date and this document updated accordingly.*

Outcome of the Customer Fair Value Assessment

As a result of the product governance activities undertaken across this product we can confirm:

- 1. The product remains consistent with the needs of the identified target market**
- 2. The product remains consistent with the fair value assessment**
- 3. The intended distribution strategy remains appropriate**

Further information about the Customer Fair Value Assessment

AXA Retail has concluded the assessment of our core manufactured products to determine whether they offer fair value to customers for a reasonably foreseeable period. Our own analysis has been combined with information from our partners distribution arrangements.

Our Customer Fair Value Assessments consider the performance of our products against pricing, customer experience, claims & servicing metrics, target market alignment and product distribution arrangements including fees and add ons in order to understand the impact on the overall value of the product to our customers. Our findings for our latest product reviews are summarised below.

Whilst our products have been assessed at an overall level, there may be certain aspects we wish to pick up separately with specific partners, based on the responses to our distribution questionnaire or the information you provided regarding your distribution arrangements. Where we have identified any outliers, we will look to engage brokers individually to discuss next steps.

Review / Assessment Area	Key Indicators and Measures	Summary outputs and actions
Product Performance	<ul style="list-style-type: none">• Target Market review• Claims frequency• Claims acceptance• Claims walkaways• Cancellations• Claims rejections	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p> <p>Our Target Market Statement remains accurate and up to date.</p> <p>The high proportion of repudiations relating to exclusions for gradual deterioration and maintenance and the application of Accidental Damage persists, and is reflected market-wide</p>

Review / Assessment Area	Key Indicators and Measures	Summary outputs and actions
		as evidenced by the GIVM data published by the FCA on 25 November 2022. We would encourage our partners to ensure customers are aware of their entitlement to claim based on coverage selected
Price	<ul style="list-style-type: none"> • Loss Ratio • Commission levels • Customer tenure 	Our assessment of these measures confirmed the ongoing fair value of this product.
Service Delivery	<ul style="list-style-type: none"> • Claims Service Metrics • Operational Service Metrics • Any Fee structure • Complaints root causes 	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p> <p>The opportunities we have identified to enhance the service provided to customers are being progressed and implemented through a formalised delivery plan.</p>
Distribution	<ul style="list-style-type: none"> • Review of Distribution Strategy • Broker oversight • Charges/Fees • Add-on/Ancillary Products sold alongside this product • Sub broking/delegation arrangements 	<p>Where distribution partners responded to our information request, our assessment of these measures confirmed that the distribution strategy for this product remains appropriate. The core product we manufacture offers fair value, and it is our requirement that the distributor ensures any costs they pass on to the customer offer fair value for the service the distributor provides and/or the value of any add ons.</p> <p>We continue to work with our partners to obtain and assess information, and agree actions as required, to ensure the ongoing value of this product.</p>
Assurance Activity	<ul style="list-style-type: none"> • Results of previous assessments of this product • Review of Significant Adaptations • Review of Risks or Incidents associated with this product • Review of other relevant Monitoring and Oversight activity relating to this product 	Our assessment of these measures confirmed the ongoing fair value of this product.



Product Name(s)

AXA Extra

Product Type	Personal Lines general insurance product suitable for individuals living in a private residential property which they own or rent for their own habitation
Product Status	This product is open to new and renewal business
Who is the product designed for?	This product is designed for UK based individuals aged 18 or over at the time of sale who: <ul style="list-style-type: none"> ✓ Have no unspent (non-motoring) criminal convictions, or prosecutions pending ✓ Have not been declared bankrupt, subject to CCJs or IVAs, and have minimal insurance loss history ✓ Live in a property of standard construction with no more than 5 bedrooms, which is not listed and was built no earlier than 1850
Who is the product not appropriate for?	This product is not designed for individuals: <ul style="list-style-type: none"> ✗ Who don't live in the UK; ✗ Who are not aged 18 or over; ✗ Who have unspent criminal convictions; ✗ Who have been declared bankrupt, or subject to CCJs or IVAs; ✗ Who use the property for non-clerical business purposes (without referral); ✗ Who let the property to more than one Lodger or Tenant; ✗ Whose property is unoccupied; ✗ Who live in a property which either has more than 5 bedrooms; is of non-standard construction; is listed; was built before 1850; ✗ Who live in a property, built since 2009, which has flooded or is at high risk of flooding; ✗ Who wish to insure Buildings where the property has suffered damage from subsidence, heave or landslip; ✗ Who have suffered Buildings or Contents theft loss(es) in the 12 months prior to inception; ✗ IHP Only - Who have suffered Buildings or Contents theft, Escape of water/oil, Malicious Damage, Riot/Civil Commotion, Underground Pipes (only where buildings is selected) loss(es) in the 12 months prior to inception; ✗ Who have suffered any claim in excess of £10,000 in the last 5 years.
What are mandatory product features that will meet the needs, characteristics and goals of the target market?	This product provides the following cover, up to agreed specified limits: <ul style="list-style-type: none"> • Buildings and/or Contents • Occupiers and Public Liability (Contents) • Property Owners Liability (Buildings)
Does the product include optional covers?	The following optional covers can be added: <ul style="list-style-type: none"> • Accidental Damage • Personal Possessions • Home Emergency • Legal Expenses
How should this product be distributed?	The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through a distributor of their choice. These products are considered suitable for advised and non-advised sales by suitably skilled agents or sub-delegates via telephone, face to face or an appropriately designed on-line journey.
What should distributors do to ensure the product provides fair value to the end customer?	To ensure the customer receives fair value for this product, care must be taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy. Add-ons and optional extras should highlight the key features and benefits along with any significant or unusual exclusions so customer can make an informed choice. Commission, fees or charges passed onto the customer must be proportionate to the service provided and provide fair value.
Additional Product Literature	This document is to be read in conjunction with the appropriate policy wording which is available through the AXA Connect broker portal.